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SEPTEMBER 5, 1990

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R&I 1990 JOB$ SURVEY

Salaries, Benefits, Bonuses

New pie in the sky to lighten American cuisine, the primavera pizza from California.

THE AMERICAN FOOD REVOLUTION

10 YEARS LATER

More Inside! See Page 2

A CAHNERS PUBLICATION

SEPT. 5, 1990

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Up-to-date on compensation in foodservice? How do salaries of executives in the commercial sector compare with those in the institutional world? What's the salary status of women vs. men? How many hours does the average foodservice manager put into the job each week? What benefits do industry leaders get now and which do they want to get? Answers to these questions might surprise you. They also might change the way you run your business . . . and your career.

72 SPECIAL REPORT: AMERICAN CUISINE THEN . . . AND NOW

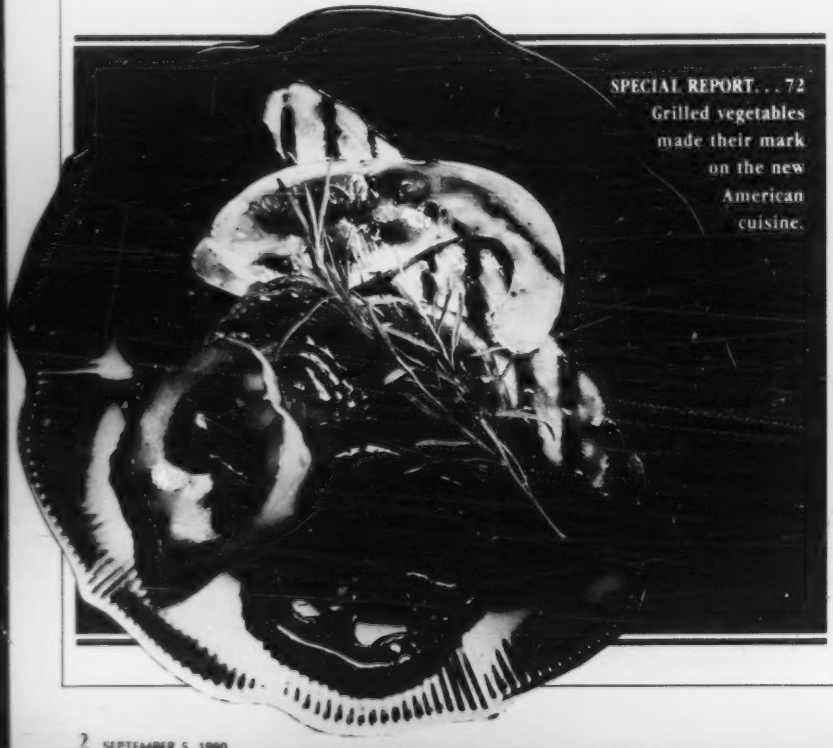
The new American cuisine that began in the '70s with the combustion of ideas from many sources has evolved into a "new" new cuisine. The same influences—from the French kitchen to our own regional pantries—are still at work in American restaurants, as are a whole new set—diet and health concerns, the return to homey foods. Our reconnaissance of the American food revolution offers perspectives and directions for tomorrow's menus.

123 SAUSAGE: THE SAVORY SIDE OF PORK

Sausages, those tasty links with our culinary past, are presently finding their way into recipes ranging from individual pork pizzas and sausage soups to saffron rice sparked with knackwurst. Some operators are even making their own sausage. For a wide range of signature menu offerings, see featured recipes and consult our guide for making pork sausage on the premises.

136 A BUMPER CROP OF PRODUCTS IS IN

Ready to serve autumn's operations and menu needs is the bountiful supply of foods and supplies described in this issue. A pork products review follows the feature on sausage. A spicy recipe collection and details of promotions are available for the asking. See Product Know-How and Product Catalog.



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■ **READER'S OPINION**

Clean-Looking Restaurants Curry Customers' Favor

Few restaurateurs would take issue with the idea that cleanliness is key in consumers' choice of restaurants.

But it is not enough to keep your restaurant clean. It must also be designed in such a way that it *projects an image* of cleanliness. Customers must look at the place and think "clean" before anything else.

But what, specifically, are the observations on which customers base that kind of judgment? What is the process by which they decide if a fast-food restaurant is clean?

To answer these questions, CDI Designs, Riverdale, N.Y., surveyed 128 consumers from across the country. The respondents were asked: "What is the first thing that comes to your mind in judging the appearance of a fast-food restaurant?" These same people were then asked to select their answer from 15 separate categories. The first method is known as unaided recall. The second is aided recall.

The results were intriguing. In the unaided-recall portion, 31% cited employees. Some 23% mentioned tables, while 22% said floors, 16% answered countertops and, rounding out the top answers, another 12% indicated restrooms.

In the aided-recall portion, in which consumers were asked to select the five categories most important to them, "appearance of employees" again secured the top ranking with 73% of the vote. "Cleanliness and general condition of tables/chairs" was next at 61%, followed by "cleanliness of restrooms" at 57%, "openness and appearance of food preparation area" at 51%, "cleanliness of utensils" at 51%, "appearance and condition of floors" at 35% and "condition of checkout/serving area" at 35%.

With consumers in the survey consistently pointing to employee appearance as a bellwether of overall restaurant cleanliness, a great deal of attention must be paid to uniform design—even when that uniform is nothing more than a smock. The fabrics used should be easy to clean and difficult to wrinkle. Colors that are less likely to show stains should be used for employees working in areas where stains are likely to occur.

To keep tables and chairs at their best, choose materials that are easy to clean and wear well. The same goes for flooring: Choose materials with little or no texture to them. Textured floors tend to offer niches for dirt to hide, and brushes typically can't get into those niches.

Even the best-quality materials will not look good if they are not well-maintained. Maintenance is not an issue that should be considered and tended to at the unit level. Maintenance programs must originate with top management and be monitored by top management in order for them to be effective. Unit managers must be judged on their ability to adhere to chainwide management directives.

In a sense, the effort to achieve an appearance of cleanliness is a partnership between design and maintenance. For a fast-food restaurant to really shine, both partners must do their jobs and do them well.

Gerald Lewis and Joseph Bona, CDI Designs, Riverdale, N.Y., a firm specializing in the planning and design of restaurants and other food-related establishments

CLEANLINESS SURVEY RESULTS

First thing that comes to mind in judging appearance of fast-food restaurant.

(Unaided recall)	
Employees	**31%**
Tables	**23**
Floors	**22**
Counters	**16**
Restrooms	**12**
(Aided recall)	
Employees	**73%**
Tables/chairs	**61**
Restrooms	**57**
Food prep areas	**51**
Utensils	**51**
Floors	**35**
Serving area	**35**

Source: CDI Designs

TAKE NOTE: The 400 listing for Red Lobster USA (July 11, p. 60) mistakenly compared domestic results in 1989 to total results of both international and domestic divisions in 1988. The correct figures should read: '89 U.S. sales, $1.36 billion, a 13.2% increase over sales of $1.2 billion in '88; and '89 units of 461, a 3.8% rise over 444 units in '88.

ATTENTION OPERATORS: *R&I* Forum represents the views of its contributors but not necessarily those of the magazine. We welcome your comments and responses. Address letters to: The Editor, *Restaurants & Institutions*, 1350 E. Touhy Ave., P.O. Box 5080, Des Plaines, Ill. 60017-5080. Or fax your letter to (708) 635-6856.

■ JOB$ '90

$alary $avvy

Are you current on compensation in foodservice? Test yourself with R&I's income quiz, then get the answers from our 22nd annual JOB$ survey.

By Brian Quinton and Jeff Weinstein

How do you measure success in foodservice? That depends on your vantage point. Viewing foodservice as an art, success means striking the right balance of menu, service and atmosphere. As a profession, it's the pleasure of providing hospitality and working with creative people. As a business—well, phrased politely, it's putting rear ends on chairs.

But foodservice is also a *job*, and it can be evaluated by the same standards applicable to any other job: salaries, benefits, raises, opportunities for advancement. On the individual level, talented foodservice executives want to chart their career progress using these financial coordinates as guides. And the industry's leaders and shapers look to these indices to draw a clearer picture of how foodservice compares to other professions out there fishing the same executive talent pool.

So take the quiz on the next page, then check your score against the findings of this year's *R&I* JOB$ survey. These responses have been compiled from questionnaires received from 2,500 middle- and top-level executives employed in the whole range of feeding operations. Get less than half the answers right, and you probably need to find out more about how foodservice's economics affect your career. Get all 14 right, and you're an authority on working life in the industry. Pour yourself some coffee, sit back and relax a moment. Then plunge right back into the art, profession and business of foodservice.

JOBS QUIZ: TEST YOUR COMPENSATION I.Q.

1. On average, how much more does the commercial foodservice executive earn in salary than the institutional executive?
   a. 10.3% c. $14.8%
   b. 6.6% d. $18.2%

2. On average, how much more do male foodservice executives earn annually than their female counterparts?
   a. $3,480 c. $14,275
   b. $6,591 d. $10,200

3. How much did the average income of foodservice executives increase from 1980 to 1990?
   a. 20.1% c. 22.6%
   b. 37.6% d. 31.8%

4. How many more hours a week does the average foodservice executive work in 1990 compared to 1980?
   a. 4.28 c. 2.85
   b. 3.71 d. 5.52

5. Which commercial segment provided the highest average raise in salary in the past year?
   a. Fast food c. Fine dining
   b. Casual theme d. Hotel/motel

6. Which position received the largest bonus as a percentage of total compensation in the past year?
   a. General manager c. Area/regional manager
   b. Owner d. Corporation executive

7. How long does the average foodservice executive wait for a promotion?
   a. 1.1 years c. 1.6 years
   b. 1.9 years d. 2.3 years

8. Which segment received the highest average raise attached to a promotion in the past year?
   a. Private club c. Schools
   b. Hotel/motel d. Casual theme

9. What percentage of foodservice executives' total income comes from a second source?
   a. 13.2% c. 15.6%
   b. 9.7% d. 21.8%

10. With the exception of a spouse's income, what is the leading source of supplemental income?
    a. Caterer c. Consultant
    b. Teacher d. Real estate/rental

11. While dental insurance is the No. 1 benefit executives would like to receive, what would be their next choice?
    a. Optical c. 100% paid medical
    b. Life d. Disability

12. What type of retirement plan was added to benefits programs most often in the past year?
    a. IRA contribution c. Pension
    b. 401(k) d. Better pension

13. Which commercial segment witnessed the most trimming of benefits packages in the past year?
    a. Hotel/motel c. Fast food
    b. Casual theme d. Fine dining

14. What foodservice executive is influenced the most by benefits packages when it comes to making a career decision?
    a. Dietitian c. Asst. unit manager
    b. Executive chef d. Corporate executive

continued on page 38

JOB$ '90

continued from page 37

Commercial and institutional salaries were 5% apart in 1980, 15% today.

QUESTION 1

The 1990 JOB$ survey shows that the average commercial foodservice executive makes 14.8% more than the typical institutional executive: $37,300 a year vs. $31,600. By segment, the manager of a private club draws the highest average salary—$46,300—followed by a top executive in a department store or retail foodservice operation, who earns $45,700 on average. (The chart below shows salary by title.)

Among institutional operations, the top brass in employee feeding fare best, earning an average of $38,400. Next most profitable is a job heading up a military or correctional foodservice operation; the average salary for upper management there is $36,000.

The pay discrepancy between institutional and commercial foodservice is to be expected, says John Chitvanni, president of National Restaurant Search, Schaumburg, Ill. "The institutional side offers more regular hours and a shorter work week," he says. "Many good middle managers are willing to trade off the greater growth potential of fast food or full service for the more regular pace of, say, B&I."

QUESTION 2

The survey finds that males in middle and upper foodservice positions make on average more than $10,000 more than their female counterparts ($38,900 compared to $28,700). Unfortunately, this gap appears to be widening: The 1980 JOB$ survey pegged foodservice salaries for men at $31,100—putting them $6,300 above the average salary of $24,800 for women.

The 1980 JOB$ survey did not track salary averages for ethnic minorities. This year's poll does, however, and finds that while average pay for a white upper manager in foodservice runs $35,000, the norm for both African Americans and Hispanics at the same job level is $31,400, or more than 10% less. (Keep in mind, however, that minorities comprise less than 5% of the total survey sample.)

Although women and minorities are scarce in foodservice's executive suites, the industry is beginning to change, says David Hohenadel of Food Placement, Lafayette, La. According to Hohenadel, foodservice has begun in the last few years to realize that talented minorities and women can help solve the management-shortage crisis.

"But the process is front-loaded," he says. "So it will be some time before these hires begin making the salary needle move much. And for every company actually hiring women or minority candidates, there are still 20 standing by to see how it works out. Foodservice pays a lot of lip service to hiring outside the white-male labor force, but the talk has definitely gone further than the action."

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SALARY SMARTS: CHEFS, DIETITIANS MAKE OUT BEST

The average annual income for foodservice executives grew from $34,500 in 1989 to $34,900 in 1990. Executive chefs, dietitians, and food and beverage directors received the highest increases, ranging from 9% to 13%.

Title	Income in $ thousands
Owner	$48.3
President	61.1
Corporate executive	49.8
Area/regional manager	45.6
Unit manager	29.5
Asst. unit manager	24.0
General manager	38.9
Purchasing manager	31.1
Foodservice director	31.3
Dietitian	30.3
F&B director	39.6
Asst. F&B director	28.5
Executive chef	34.0

Source: 1990 *R&I* JOB$ Survey

JOB$ '90

continued from page 38

If you're a restaurant owner, you're be[illegible] spending nearly 60 hours a week on the job

QUESTION 3 ANSWERED

In 1980, the *R&I* JOB$ survey indicated that the average for an executive salary was $29,056. Ten years later, that average pay has jumped 20.1%, to $34,900.

Salaries in hotel and motel foodservice show the most bounce, increasing 24.8% from $29,425 to $36,700 over the decade. Next comes health care, where the average salary jumped 23.3% from '80 to '90, and fast food, where annual pay took a 21.1% leap in the same decade. Overall, the typical commercial salary has increased 24.3% since 1980; the typical institutional salary, only 9.6%.

Other experts, however, say these results fail to turn up some important facts. For example, the ranks of middle managers are thinning rapidly because of mergers in the last few years and the wave of headquarters cutbacks at some of the commercial world's biggest players, says Keith Raub of CED Associates, New Paltz, N.Y. "Among those still employed, salaries have gone up regularly. But who's counting up the number who've left the business?"

QUESTION 4 ANSWERED

There's never been such a thing as a 40-hour week in foodservice. The days are long, the work week is jammed, and the pace has only gotten more hectic over the last 10 years. The average middle- or upper-management employee in foodservice put in 47.5 hours a week on the job in 1980. Today, that same executive works 51.2 hours a week—44.5 hours on the institutional side and a whopping 56.1 in the commercial sector. In other words, the average foodservice work week is 3.71 hours longer today than it was a decade ago.

Obviously, that rules out your standard Monday-to-Friday schedule, too. Institutional executives work an average of 5.13 days a week, and commercial operators are on the job 5.73 days out of every seven. The load is especially heavy in the fine-dining segment, where top executives—usually the owners, of course—report working 58-hour weeks. That's only a shade more than the 57.7 on-the-job hours put in each week by executives in both casual and family-dining operations.

And the winner of this year's Workaholic Trophy is, as usual, the average restaurant owner, who is reportedly on the job 6.2 days, or 59.5 hours, a week.

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PROFILING THE FOODSERVICE EXECUTIVE: 1980 VS. 1990

Compared to a decade ago, the average foodservice executive is more likely to be more educated, working longer hours and single. While salary gains have been rather meager, satisfaction with raises remains constant.

1980	Characteristic	1990
$29,056	Income	$34,900
57.0%	Percent satisfied with raise	56.8%
66/34	Male/female ratio	61/39
39.1	Age	38.5
34.4%	College graduate	38.6%
16.5%	Single	17.5%
69.1%	Married	63.7%
7.7%	Divorced/separated	11.1%
4.5%	Cohabitating	5.3%
73.1%	Have children	62.3%
2.64	Number of children	2.44
14.9	Years in foodservice	16.0
6.2	Years at present job	6.4
3.44	Number of companies worked for	3.73
47.49	Hours worked per week	51.20

Source: 1990 *R&I* JOB$ Survey

JOB$ '90

continued from page 44

Two in five foodservice executives depend on productivity bonuses for part of their income.

QUESTION 5

ANSWER: B

Executives in casual-dining concepts make out best in the raise department, averaging a 7.6% salary bump, according to the 1990 JOB$ survey. Fast food comes next, with a 6% salary raise the norm. Management of family-dining operations and coffee shops trail the commercial pack in raises, at an average of only 5.5%.

Deirdre McKinlay, a consultant with Hospitality Search, Clarendon Hills, Calif., thinks this pattern is pretty much as expected. "Segments like casual and quick-service are where you find most of the big corporations concentrated, both public and private," she says. "These tend to have formal policies of regular raises and evaluations, which you don't always find in smaller operations."

On the institutional side, employee-feeding executives score highest with an average 5.7% income boost from raises. Schools and colleges hand out increases of approximately 5.5%; the typical health-care pay raise is 5.13% of salary.

QUESTION 6

ANSWER: C

Bonuses make up 9.8% of total compensation for area/regional managers. Industrywide, 43% of those surveyed received a bonus in the past year, and those bonuses averaged out to 6.95% of salary. The distinction between an employee and an entrepreneur becomes important here: While more than 75% of company presidents get bonuses, only 40.6% of all owners reward themselves with a little extra cash in a good year.

Bonuses are more widely given on the commercial side, where 60% of respondents earned them last year, than in the institutional sector. (Only 20.4% of institutional executives received a premium last year.) And they benefit men more than women. Fully 51.4% of males were paid a bonus last year, averaging 7.6% of salary; but only 30.3% of the women in foodservice got one, and when they did, it was only 5.1% of salary.

Bonuses have become a favored way for foodservice companies to wring productivity out of their people. "Most people work for two reasons, money and power," Chitvanni says. Power comes from growth, which the restaurant industry is finding difficult to provide these days; so money—in the form of performance bonuses—is a good substitute. He warns, however, that bonuses must be offered in the right spirit. "A lot of companies start a bonus plan and lots of people make it. Then next year they set the required performance levels impossibly high, so that very few people qualify. That's just counterproductive. You're destroying incentive, not creating it."

continued on page 55

HOW BIG WAS YOUR LAST RAISE?

The average raise for foodservice executives advanced from 5.71% in 1989 to 5.95% this year. Males received a 6.31% increase in 1990, compared to 5.38% for females. The average was 6.47% on the commercial side, 5.25% for institutions.

Title	Average raise %
Owner	4.28%
President	6.94
Corporate executive	5.49
Area/regional manager	6.13
Unit manager	5.96
Asst. unit manager	6.38
General manager	7.56
Purchasing manager	6.49
Foodservice director	5.26
Dietitian	4.99
F&B director	5.92
Asst. F&B director	4.91
Executive chef	6.31

BONUS BIAS

About 43% of all JOB$ respondents received a bonus in the past year; 61% of commercial execs vs. 20% of institutional leaders.

Bonus as % of salary	
President	12.70%
Area/regional manager	9.76
Purchasing manager	9.42
Corporate executive	9.15
Owner	7.94
Unit manager	7.82
General manager	7.28
F&B director	6.97
Asst. F&B director	6.52
Executive chef	6.11
Asst. unit manager	5.68
Foodservice director	4.12
Dietitian	3.42

Source: 1990 *R&I* JOB$ Survey

JOB$ '90

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Promotions come yearly for the under-25s; those 36 to 45 wait 10 months longer.

QUESTION 7

ANSWER: C

If you're in foodservice and you just got a promotion, you have about 1.6 years to use up those business cards before your next title change. Executive chefs are the only respondents who generally wait less than one year for advancement. Unit managers spend 2 years on the same rung of the career ladder; area or regional managers wait 2.7 years before advancing. Institutional foodservice directors move up after 1.7 years on the job; dietitians, after 1.2 years.

Those age 25 or less wait 1 year for a promotion. The 26-to-35 age bracket remains in the same job for 1.4 years. Those 36 to 45 years old usually trade in their titles after 1.8 years.

Caucasian respondents say they were last promoted 1.6 years ago; but that last move up was 2.1 years ago for Hispanics and 2.5 years ago for the African Americans surveyed.

QUESTION 8

ANSWER: B

The title is nice, but does it help pay the rent? Yes, for two-thirds of those who were promoted in the last year: They got salary raises to go along with their new jobs. By menu segment, promotional raises reached 11.9% of salary for those in hotel foodservice, and 11.3% for those in casual dining and private club management. Among institutions, school foodservice executives make out best from a title change; their raises constitute 11.1% of their base salary.

Among the assorted job titles, the executive chef leads the pack with an average 11.4% promotional raise. A general manager typically gets a 10.8% pay hike with a move up, a unit manager 10.5%, and an assistant unit manager 9.8%. But pity the poor company president, to whom a title change means a 7.7% raise—not the 9.9% increase given an executive promoted to vice president.

Promotional raises are highest in the South, where they add 10.6% to salary, and they tend to be lowest in the West, constituting 9.6% of a paycheck. On average, men get 10.7% more money with a title change, while women earn 9.2% more. *continued on page 60*

PLAYING THE WAITING GAME

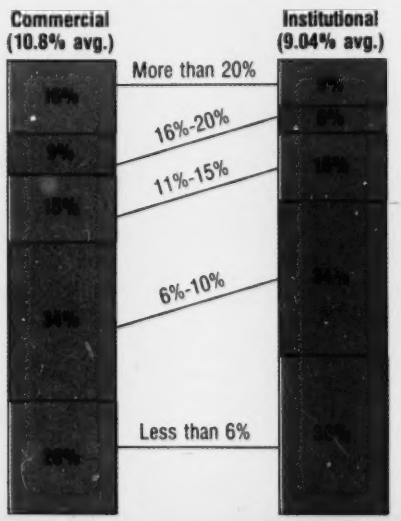
Overall, the average executive waits 1.59 years for a promotion. Promotions come quickest in the catering segment (.95 year), hotel/motel (1.17 years) and fine dining (1.21 years).

When was your last promotion?

IS THE MONEY WORTH THE WAIT?

Fully 66.5% of all respondents received a raise in connection with a promotion. The hotel/motel (11.9%) and private club (11.3%) segments garnered the best increases.

Raise received with promotion



Source: 1990 *R&I* JOB$ Survey

JOB$ '90

continued from page 55

Real estate ranks first as a second income, followed by consulting and teaching.

QUESTION 9 ANSWERED

Management does not live by foodservice bread alone. At least, 30% of them don't: Three in 10 supplement their industry paycheck with another income source. Of those who do moonlight, that second check makes up 13.2% of total income. Four in 10 owners earn money outside of foodservice, as do four in 10 vice presidents. Dietitians are the next most likely to work on the side; 36.5% of them have a second job. So do 32.2% of all executive chefs.

Examined by menu segment, the survey response shows that executives in fine dining are the most likely to hold down another job (35.0% do so), while those in hotel or motel foodservice tend to moonlight least (25.4%). On the institutional side, 41.1% of military or correctional foodservice managers report earning an additional paycheck.

Overall, almost 33% of all men working at the upper levels of foodservice pull down another paycheck, compared to 25% of their female counterparts. And the likelihood of a second job increases with age: 25.8% of the 25-or-under group do other work outside their operation, vs. 36.4% of those 46 to 55.

QUESTION 10 ANSWERED

Discounting income from a spouse, the industry's favorite pay supplement is real estate or rental property. About 10.4% of all JOB$ respondents name real estate as a tributary in their cash stream, including 40% of all restaurant owners. (Common sense says many of these own the buildings or the blocks in which they do business and simply lease out the additional space.) The rest of the moonlighting crew divides along expected lines for foodservice workers.

Consulting is the second job for 9.5% of those polled, including 43.8% of all dietitians. Another 24.6% of dietitians are involved in teaching. And 15.5% of the foodservice directors surveyed and 19.5% of the executive chefs make extra money through private catering activities.

Catherine Ercole, of Louis Ercole Consulting, Fort Worth, Texas, suspects that much of this extracurricular activity is just a function of the opportunities that present themselves to any skilled, highly trained professionals. "These are people who take a high degree of satisfaction in what they do," she says. "It's a creative industry; they feel they've got a creative talent they should be using. They're already high-energy workaholics, just by being in the restaurant business. So it's natural for them to wind up working somewhere outside their primary employment, even if it's doing almost the same things they usually do on the job."

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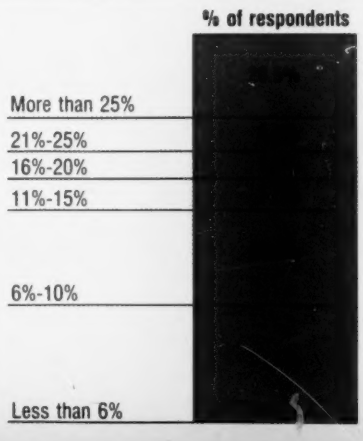
JACKS OF ALL TRADES

Involvement by owners and company presidents accounts for real estate's strong showing. Consulting is the forte of dietitians, while foodservice directors are interested in catering.

Source of supplemental income	Commercial	Institutional
Spouse has income	14.9%	10.1%
Real estate/rental	14.1	6.0
Consulting	5.0	14.9
Catering	6.5	11.6
Teaching	4.2	10.6
Investments	6.1	5.8
Sales	6.1	5.0
Retirement income	1.9	6.8
Own another business	4.2	3.3

ONE JOB NOT ENOUGH

More than 30% of JOB$ Survey respondents supplement their income from other sources. Secondary income accounts for 13.2% of foodservice executives' total compensation.



JOB$ '90

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Fewer than half the industry's managers are covered by any kind of retirement plan.

11

It shouldn't be surprising that in foodservice, the mouth comes first. Almost one-quarter of all respondents put a dental plan at the top of their benefits wish list; 45% do not currently belong to one. The second most desirable medical benefit, optical insurance (not listed on the chart below), is requested by 8.9% of the survey respondents but is now offered to only 1.8%. And while 80.5% of industry management receives some sort of medical coverage, another 15.4% would like to have it added or upgraded.

Among the nonmedical perks, 41% of foodservice executives now are being reimbursed for tuition. Almost 18% share in the profits of their operations—and another 11% want it. And 2.7% get paid or subsidized child care.

Less than 43% of industry leaders are covered by a pension plan. Another 27% would like some form of post-employment coverage, which they say could include retirement benefits, a 401(k) plan, or just continued medical insurance after retirement.

Some analysts say the foodservice industry is just beginning to wake up to the fact that benefits are vital to recruitment and retention. "Let's face it—this is an industry that figures tips into the salaries of its point-of-sale workers," says Daniel Allwend of H/R Technics, Darien, Conn. "[Foodservice companies] get the public to subsidize their most important employees. So naturally it's been a long time coming around to the value of things like disability and major medical, even for managers."

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About 7.5% of all foodservice executives added a 401(k) deferred savings program within the last year, making it the most popular post-retirement benefit. Another 5.9% entered formal pension plans for the first time (3.9% had such packages upgraded last year).

Other often-added benefits of the last year suggest that some companies really are listening to what their people want. In the last 12 months, 14.7% of foodservice management have enrolled in dental insurance, the benefit most often requested. Almost 23.1% began a new medical insurance plan or had their current one improved. And 4.4% signed up for a disability compensation benefit.

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BENEFITS AT A GLANCE

Dental insurance continues to be the benefit most sought after by foodservice executives, while medical insurance plans were either added for the first time or enhanced for 23.1% of all respondents in the past year.

Benefit	Received	Added in '89	Would like
Paid vacation	90.4%	2.5%	3.2%
Medical insurance	80.5	23.1*	15.4*
Dental insurance	55.0	18.3*	28.2*
Disability insurance	46.6	4.4	4.7
Pension plan	42.8	9.8*	20.7*
Education reimbursement	41.0	2.9	6.4
Relocation costs	24.2	NA	1.0
401(k) plan	19.1	7.5	7.6
Flextime	18.8	NA	2.6
Profit sharing	17.8	2.1	11.0
Stock options	13.1	2.7	6.2
Paid maternity leave	11.9	NA	1.8
Company car	10.6	NA	6.3
Life insurance	3.2	4.4*	1.0
Child-care center/subsidy	2.7	1.5	5.8

Source: 1990 *R&I* JOB$ Survey

JOB$ '90

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"Cafeteria" benefits plans are spreading, but 53% of respondents lost benefits last year.

QUESTION **13** ANSWER: B

More than 57% of executives in the casual-dining segment say they took a hit in the benefits department within the last year. While they are the worst off by menu segment they are far from alone. More than 45% of all JOB$ respondents had their benefits trimmed this year—up substantially from 39% in the '89 survey—and another 6.2% had some programs in their package cut out altogether.

Just as the corporate segments tend to have the most formal policies for raises and promotions, they also tend to reflect the pressures of public companies in a tight market. "When the hard times come, these companies have to take the short-term view and cut back," Chitvanni says. "They're forced to keep one eye on Wall Street."

Institutional executives undoubtedly fare better than commercial when it comes to coverage. Only 41.7% saw benefits reduced or phased out last year, compared to 58.5% on the commercial side. Who lost the least? School and hospital foodservice leaders—36.1% and 36.8%, respectively.

"Cafeteria-style" benefits packages are still coming on strong, particularly in institutional settings. In the last year, these pick-and-choose coverage plans became a new option for almost one-third of B&I executives, 28.6% of those in hospital foodservice and 27.8% of those in schools. All told, 22.0% of institutional respondents were made eligible for cafeteria-style benefit plans in the past year, against 8.5% of those from commercial operations.

QUESTION **14** ANSWER: B

If you think successful hirings are based only on salary, think again. Just more than half of this year's JOB$ respondents have included the benefit package in their decision to take, or to keep, a certain position. And that's not just true of the financial officers or other "numbers people" with a heavy practical bent; the creative talent have their eye on nonsalary compensation, too. Fully 70% of executive chefs have made benefits a factor when choosing a job offer, making them the most benefits-sensitive group of all. Right behind are unit managers and their assistants, 60% of whom say benefit concerns have influenced their choice of jobs.

If benefits have affected a job choice for half the industry in general, then they are more important for younger and lower paid management. For example, of 26- to 35-year-olds surveyed, 59% said a benefits package had influenced a job decision. Benefits are also slightly more persuasive for men: 53% have made a job choice on that basis, compared to 47.6% of women.

"Believe it: To stay in business, companies are going to start doing the best they can afford for employees, at headquarters and in the field," says Food Placement's Hohenadel. "Labor is a competitive edge, and they need that edge. They *need* those people."

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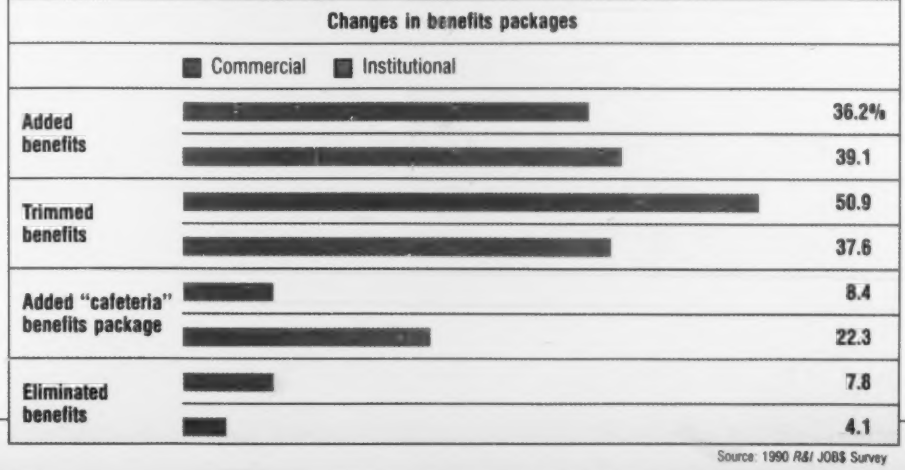
MORE COMPANIES TRIMMED BENEFITS IN PAST YEAR

Compared to 1988, fewer JOB$ respondents (38%) indicate their company added benefits in 1989. Respondents whose benefits were trimmed increased from 41% in 1988 to 45% in 1989. "Cafeteria" plans also are growing in popularity.



Source: 1990 *R&I* JOB$ Survey

JOB$ '90

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Richard Frank
Chairman, CEO
ShowBiz Pizza Time Inc.
$1,773,844

D. Wayne Calloway
Chairman, CEO, President
PepsiCo
$1,505,096

Fred L. Turner*
Chairman
McDonald's Corp.
$1,359,286

J.W. Marriott Jr.
Chairman, President, CEO
Marriott Corp.
$1,012,500

Jerome Richardson
President, CEO
TW Services
$800,000

James A. Collins
Chairman
Collins Foods Intl.
$725,754

Robert L. Barney**
Chairman
Wendy's Intl. Inc.
$699,431

Jack W. Goodall Jr.
Chairman, CEO
Foodmaker Inc.
$697,385

Joe Lee
President
General Mills Restaurants
$672,100

Carl N. Karcher
Chairman, CEO
Carl Karcher Enterprises
$658,732

E.E. Bishop
Chairman, CEO
Morrison Inc.
$479,506

J. Mitchell Boyd**
Chairman, CEO
Shoney's Inc.
$468,202

Michael P. Sullivan
President, CEO, COO
International Dairy Queen Corp.
$442,186

Thomas L. Gregory
President
Sizzler Restaurants Intl.
$425,595

Sam H. Maw
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Denny's Inc.
$412,457

Donald N. Smith
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Perkins Family Restaurants
$400,471

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Rally's Inc.
$398,846

Daniel E. Evans
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Bob Evans Farms Inc.
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$311,458

Mario Sbarro
President, Chairman
Sbarro Inc.
$279,379

Gene Bicknell
Chairman, CEO
National Pizza Inc.
$274,602

Norman E. Brinker
Chairman, CEO
Chili's Inc.
$238,269

KARCHER

BISHOP

MARRIOTT

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$234,225

J. Patrick Ross
Chairman, CEO
Rax Restaurants
$224,243

Hollis Taylor
President, CEO
Pancho's Mexican Buffet
$205,103

James J. Liguori
President, Chairman, CEO
Morgan's Foods Inc.
(KFC franchisee)
$204,996

Clark D. Jones*
Chairman, CEO
JB's Restaurant
$186,228

Sheldon E. Smith
Chairman, President, CEO
Old Fashion Foods Inc.
$177,350

Aaron D. Spencer
Chairman, CEO
Uno Restaurant Corp.
$175,768

Eddie L. Erwin, Jr.
Chairman, President
Family Steak Houses of Florida (Ryan's franchisee)
$150,000

Arthur Seelbinder
Chairman, President, CEO
Cooker Restaurant Corp.
$115,543

Thomas E. Dietrich
President, COO
Two Pesos Inc.
$108,000

William B. Korenbaum
CEO
Captain Crab Inc.
$95,000

R&I

*Includes salary and bonus. **No longer with company.

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